Government Organization

in 1968. In this book there is a chapter entitled "The Sickness of Government". I would recommend the reading of this chapter to the hon. member who introduced the motion and to the members of his party. They probably are already familiar with it. Mr. Drucker makes the point that government surely has never been more prominent than it is today. He says it is, in short, all pervasive. There is mounting evidence, he states, that government is big, rather than strong; that it is fat and flabby, rather than powerful; that it costs a great deal but does not achieve much.

Mr. Gilbert: That is the Liberal party you are describing.

Mr. Penner: It is any government. It is your party in Manitoba as well. It is no particular party, no particular province and no particular country. Drucker is not writing a partisan treatise, such as my hon. friend is used to reading. He is writing a book which deals in depth with the theoretical consideration of important political and social questions.

● (5:40 p.m.)

If you want a point in fact—this is true of government in general—that point has been made, but in Canada it is true of our Crown corporations in particular. They are costly, but often they achieve very little. We need only look at the CBC and the CNR as two cases in point. These Crown corporations have been criticized frequently in the House. The last analysis I read on the CBC, for example, showed that this Crown corporation spends at least twice the amount the privately-owned CTV does in producing similar programs.

Over the years, many parliamentarians have expressed concern about the cost of CBC to Canadian taxpayers. The proposal has often been made that it should be carved up and sold, leaving the fate of Canadian culture in the hands of private broadcasters. I think that suggestion was even made at one conference of the party to which the hon. member belongs.

Mr. Gilbert: What is this?

Mr. Penner: One thing is certain. There is growing disenchantment with government, and citizens everywhere are beginning to balk at paying for bigger government, although conversely these same people still want what government promises to give them. In the years from about 1890 to 1960, mankind, especially in the developed countries, seemed hypnotized by government. The Fabians in Great Britain, and the German Social Democrats started their love affair with government before 1900. It became more general with World War I when government, using taxation and the printing press, mobilized social resources away beyond what anyone earlier would have thought was possible.

When the Great Depression hit a decade later, everybody immediately turned to government as the saviour, and it is rather pathetic to recall the naïve belief that prevailed in the late thirties, such as, for instance, what was preached in one of the best-sellers of the depression

[Mr. Penner.]

years, a book called "To plan or not to plan" by the British Labour economist Barbara Wooton. One critic has described this book as a fervent love letter to government, full of messianic innocence. All it says—and it says it over and over again on almost every page, in different words—is that Utopia is here; all that is needed is to take everything away from the wicked, selfish private interests and turn it over to government. We have done a great deal of that and we have many programs trying to do many things for citizens. These programs have frequently not succeeded in what they were intended to do. So what have we done? We have revised these unsuccessful government programs, not once but over and over again, and we have asserted that nothing is basically wrong with them that a change in procedures or a more competent administration will not cure. I hope it will not be construed that I am arguing for weaker government.

Mr. Gilbert: It is weak enough now.

Mr. Penner: What I am arguing for is strong, effective and truly performing government which has never been more needed. We need government as the central institution in a society of organizations. We need an organ that expresses the common will and the common vision and enables each organization in society to make its own best contribution to that society and to its citizens. Yet that same central institution, the government, must express common beliefs and common values. Unfortunately, government is not very good at innovation. By design it is a protective institution. It cannot really abandon anything that it once starts. The moment government undertakes   anything,   that   undertaking   becomes entrenched and permanent.

Generally, government is not an effective doer. Business management knows this about government but it also knows that you must always separate the decision-maker from the doer—that is, if you are interested in efficiency of operation. If this lesson were applied to government, the other institutions of society would rightly and properly become the doers. A good analogy, perhaps, is that of an orchestra. Analogies are always a little silly, but this one may serve the purpose. Government ought properly to be the conductor of the orchestra, but those who produce the sounds—the musicians—would liken to the other non-governmental institutions of society, institutions in a society of many organizations. I think that this theme has been adequately developed in the time that is available to me. I conclude by quoting two paragraphs from Mr. Drucker's book, to help sum up the argument. The first paragraph reads as follows:

If we want a really strong and effective government, therefore, we should want businesses that are not owned by government. We should want businesses in which private investors, motivated by their own self interest and deciding on the basis of their own best judgment, take the risk of failure. The strongest argument for "private enterprise" is not the function of profit. The strongest argument is the function of loss. Because of it, business is the most adaptable and the most flexible of the institutions around. It is the one that has a clear, even though limited, performance test. It is the one that has a yardstick.